UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

SECOND COMMITTEE
18th meeting
held on
Tuesday, 26 October 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 18th MEETING

Chairman: Mr. ARELLANO RESENDIZ (Mexico)
(Vice-Chairman)

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AGENDA ITEM 91: DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

(j) INTEGRATION OF THE ECONOMIES IN TRANSITION INTO THE WORLD ECONOMY (continued)

AGENDA ITEM 92: EXTERNAL DEBT CRISIS AND DEVELOPMENT (continued)

ORGANIZATION OF WORK

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Distr. GENERAL
A/C.2/48/SR.18
10 November 1993

ORIGINAL: ENGLISH

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93-81861 (E)

In the absence of Mr. Mongbe (Benin), Mr. Arellano Resendiz (Mexico), Vice-Chairman, took the Chair

The meeting was called to order at 10.35 a.m.

AGENDA ITEM 91: DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

(j) INTEGRATION OF THE ECONOMIES IN TRANSITION INTO THE WORLD ECONOMY (continued)

Draft resolution on integration of the countries with economies in transition from centrally planned to market economies into the world economy (A/C.2/48/L.6)

1. Mr. LUEDIG (Estonia) introduced the draft resolution on behalf of the sponsors, who had been joined by Azerbaijan, Nicaragua and Slovakia. He hoped that the draft resolution would be adopted by consensus.

AGENDA ITEM 92: EXTERNAL DEBT CRISIS AND DEVELOPMENT (continued)

Draft resolution on enhanced international cooperation towards a durable solution to the external debt problems of all developing countries (A/C.2/48/L.5)

2. Mr. R. JARAMILLO (Colombia) introduced the draft resolution on behalf of the sponsor who had been joined by the delegation of the former Yugoslav Republic of Macedonia.

3. The following paragraph had inadvertently been omitted and should be inserted after paragraph 8:

> "Stresses that concerted action to alleviate the debt burden of developing countries by developed countries is critical to growth in the developing world, which in turn is essential for the growth of the world economy;".

Similarly, in paragraph 14, the words "taking into account the situation of middle-income countries and in particular that of low-income countries" should be inserted after the words "developing countries".

4. The sponsors hoped that the draft resolution would be adopted by consensus.

ORGANIZATION OF WORK

5. The CHAIRMAN noted that the General Assembly had decided at its 36th plenary meeting to include in its agenda an additional item (item 169) entitled "Economic assistance to States affected by the implementation of the Security Council resolutions imposing sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro)" and to allocate that item to the Second Committee. If he heard no objection, he would take it that the Committee wished

(The Chairman)

to consider that item to the cluster of other items dealing with assistance, namely, agenda items 100, 101, 102, 103, 105, 98 and 41.

6. It was so decided.

7. The CHAIRMAN said that the report of the Secretary-General on the United Nations Institute for Training and Research (UNITAR) was not yet available and that the Committee therefore would be unable to consider the item on 29 October as originally planned.

8. Mr. R. JARAMILLO (Colombia) expressed his delegation's deep concern at the Secretariat's inability to provide the Committee with documents in a timely fashion. Something must be done to rectify that situation.

9. The CHAIRMAN, speaking as the representative of Mexico, said that he shared the concern expressed by the representative of Colombia.

10. Mr. VAN DE CRAEN (Belgium) said that the deplorable delay in the issuance of the report on UNITAR impeded the functioning of the Committee's work.

11. Mr. PEDROSO (Cuba) expressed alarm at the number of delays in the issuance of documents. Notwithstanding the financial stringencies which the United Nations faced, steps must be taken to ensure that such delays did not hamper the work of the current session.

12. The CHAIRMAN said that the matter would be taken up with the appropriate authorities in the Secretariat.

The meeting rose at 10.50 a.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

SECOND COMMITTEE
19th meeting
held on
Thursday, 28 October 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 19th MEETING

Chairman: Mr. MONGBE (Benin)

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AGENDA ITEM 91: DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

(b) IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE 1990s (continued)

(d) ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES (continued)

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Distr. GENERAL
A/C.2/48/SR.19
17 November 1993

ORIGINAL: ENGLISH

The meeting was called to order at 10.15 a.m.

AGENDA ITEM 91: DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

(b) IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE 1990s (continued)

Draft resolution on implementation of the Programme of Action for the Least Developed Countries for the 1990s (A/C.2/48/L.8)

1. Mr. JARAMILLO (Colombia), introducing the draft resolution on behalf of the Group of 77, said that he hoped that the draft would receive the full support of the Committee.

(d) ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES (continued)

Draft resolution on economic and technical cooperation among developing countries (A/C.2/48/L.7)

2. Mr. JARAMILLO (Colombia), introducing the draft resolution on behalf of the Group of 77 and China, said that he hoped that it would receive the support of all delegations.

The meeting rose at 10.25 a.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

SECOND COMMITTEE
20th meeting
held on
Friday, 29 October 1993
at 3 p.m.
New York

SUMMARY RECORD OF THE 20th MEETING

Chairman: Mr. MONGBE (Benin)

CONTENTS

AGENDA ITEM 91: DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

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Distr. GENERAL
A/C.2/48/SR.20
3 December 1993
ENGLISH
ORIGINAL: SPANISH

The meeting was called to order at 3.10 p.m.

AGENDA ITEM 91: DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

1. Mr. AL-SULTAN (President of the International Fund for Agricultural Development (IFAD)), said that, while there were currently unprecedented possibilities for making progress on some long-standing questions, such as those of the Middle East and South Africa, other problems were emerging, linked in large part to the frustration and despair caused by growing poverty, which was aggravating social, ethnic and regional tensions in many areas.

2. In keeping with its mandate, in the Middle East the Fund had initiated action to prepare a programme to help generate employment and raise food production in Gaza and Jericho. IFAD was also ready to play a role in supporting the positive changes taking place in South Africa and to start development operations by United Nations agencies in that country as soon as it became possible and when South Africa became a member of IFAD.

3. Unfortunately, in various parts of the world, over a billion people were still living in absolute poverty, which placed a tremendous strain on the social fabric and weakened political institutions. Unless the poor were brought fully and equitably into the productive process, prospects for sustainable development in many countries would remain problematic.

4. Widespread and chronic poverty created great vulnerability among large parts of the population to external events such as droughts or civil strife, which could quickly lead to famines and cause mass migration, as had recently happened in Burundi. Migration placed great strains on receiving countries, causing social problems and affecting their potential for development. Moreover, poverty was closely related to environmental degradation, since, in their efforts to survive, the rural poor had little choice but to overuse natural resources.

5. In its 15 years of existence, IFAD had shown that poverty alleviation could be economically viable, remunerative and environmentally beneficial. Poverty alleviation investment projects often had rates of return of more than 15 per cent, which compared favourably with conventional investments. There was therefore no need for a trade-off between supporting economic growth, on the one hand, and addressing poverty and hunger, on the other. Nevertheless, the level of investments in poverty alleviation projects was not commensurate with the extent of the problem. His delegation hoped that the forthcoming World Summit for Social Development and the agenda for development would bring about a greater degree of consensus on the required response to the problems of the poor.

6. While the relaxation of international tensions should allow attention to focus on the elimination of hunger and poverty, support for development cooperation was ebbing. That was apparently due, to a lack of awareness of what could be done to combat poverty and hunger and the failure to realize the peril of not acting. It should be clear that, in order to make use of the peace

of not acting. It should be clear that, in order to make use of the peace

(Mr. Al-Sultan)

dividend and reap the benefits of the end of the cold war, it was essential to address the problems of poverty at the local, national and multilateral levels.

He hoped that the United Nations would promote greater awareness of the urgency of cooperative action.

7. At the same time that efforts were being made to increase the level of assistance, it was essential to ensure that available funds were used in the most cost-effective way. He had initiated a systematic process to make the Fund's own operations even more economical and effective by streamlining the project development process and giving greater attention to implementation issues. The Fund was considering how to ensure that projects had a real impact on the daily lives of the rural poor and that that impact was maintained.

8. IFAD was working with its partner agencies in the Joint Consultative Group on Policy in order to harmonize approaches at policy and operational levels. Those endeavours concerned issues that went to the heart of international development cooperation, namely, finding new ways for external donors and beneficiaries to work together. A key element in that effort was to elicit the active participation of beneficiaries in project design and implementation. Participation enabled beneficiaries to undertake future projects by themselves, which was the beginning of a process of self-sustaining growth. That goal could be reached if the necessary external support and the domestic commitment were sustained.

9. With regard to the fourth replenishment of IFAD resources, the Fund was exploring changes that would help to make its future replenishments more rapid and generate higher levels of resources.

10. The poor had shown that, when given the opportunity, they could respond through their own efforts to escape from their poverty. At a time when the goal of a world without hunger was within reach, the international community must not falter but should reinforce its sense of solidarity by achieving a world in which all people had the right to food.

The meeting rose at 3.30 p.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

SECOND COMMITTEE
21st meeting
held on
Tuesday, 2 November 1993
at 3 p.m.
New York

SUMMARY RECORD OF THE 21st MEETING

Chairman: Mr. MONGBE (Benin)

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AGENDA ITEM 104: HUMAN RESOURCES DEVELOPMENT (continued)

AGENDA ITEM 95: INTERNATIONAL COOPERATION FOR ECONOMIC GROWTH AND DEVELOPMENT:

(a) IMPLEMENTATION OF THE COMMITMENTS AND POLICIES AGREED UPON IN THE DECLARATION ON INTERNATIONAL ECONOMIC COOPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES

(b) IMPLEMENTATION OF THE INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE

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A/C.2/48/SR.21
30 November 1993

ORIGINAL: ENGLISH

93-82050 (E)

The meeting was called to order at 3.15 p.m.

AGENDA ITEM 104: HUMAN RESOURCES DEVELOPMENT (continued)

Draft resolution concerning developing human resources for development (A/C.2/48/L.9)

1. Mr. Rodolfo JARAMILLO (Colombia), introducing draft resolution A/C.2/48/L.9 on behalf of the sponsors, read out the following new paragraph 3 which had inadvertently been omitted from the original text.

> "Reaffirms the importance of women and youth in human resources development and, in this context, welcomes the International Conference on Women to be held in Beijing in 1995 and the proposal adopted by the Commonwealth Heads of Government to convene a Summit on Youth on an agreed date".

AGENDA ITEM 95: INTERNATIONAL COOPERATION FOR ECONOMIC GROWTH AND DEVELOPMENT (A/48/94, A/48/182-S/26108, A/48/272, A/48/291-S/26242, A/48/309, A/48/338, A/48/353-S/26372, A/48/359, A/48/445-S/26501, A/48/484-S/26552, A/C.2/48/4)

(a) IMPLEMENTATION OF THE COMMITMENTS AND POLICIES AGREED UPON IN THE DECLARATION ON INTERNATIONAL ECONOMIC COOPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (A/48/505)

(b) IMPLEMENTATION OF THE INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE

2. Mr. WIDYONO (Director, Regional Commissions New York Office), speaking on behalf of the five regional commissions, introduced the report of the Secretary-General on regional economic integration among developing countries (A/48/505), which had been prepared in response to General Assembly resolution 46/145. Citing paragraphs 2-4 of that resolution he noted that chapter II of the report provided detailed references to measures included in specific subprogrammes of the medium-term plan for the period 1994-1997 regarding the United Nations Conference on Trade and Development (UNCTAD), the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic Social Commission for Asia and the Pacific (ESCAP) and the Economic Commission for Africa (ECA).

3. Chapter III described the steps taken to integrate specific programmes on economic integration in the proposed programme budget for the biennium 1994-1995. Chapter IV detailed the joint UNCTAD/regional commissions undertakings for the identification, preparation and implementation of specific projects to facilitate economic cooperation, while chapter V provided a detailed account of the activities carried out by each of the organizations in that important field.

4. Progress in that area could not be achieved without increased extrabudgetary resources to finance projects for the development of regional infrastructures, production and trade among developing countries; such resources had been dwindling. The Committee might find it necessary to call on bilateral

(Mr. Widyono)

and multilateral sources to give favourable consideration to funding for economic integration projects.

5. Mr. Luis Fernando JARAMILLO (Colombia), speaking on behalf of the Group of 77 and the People's Republic of China, said that the auspicious international environment that had witnessed the adoption in 1990 of the Declaration on International Economic Cooperation and of the International Development Strategy for the Fourth United Nations Development Decade - both of which called for accelerated development of the third world, renewed world economic growth and greater international cooperation - had changed drastically. The war in the Persian Gulf, the serious economic repercussions of the dissolution of the European socialist bloc and the recession of the past few years in the countries of the North had wreaked havoc in the international economy. Even the most optimistic estimates anticipated that economic growth would be sluggish, and that no new jobs would be created. The current world economic situation cast a shadow on the future of the Declaration and the Strategy, while the absence of coordinated policies and measures to stimulate the world economy continued to reveal a lack of political will in the industrialized nations to fulfil their commitments.

6. The Uruguay Round of multilateral trade negotiations, perhaps the most important issue on the multilateral agenda, remained deadlocked, owing to the inability of some of the principal actors to overcome their intransigence and resolve their bilateral disputes. Protectionist measures had intensified in the industrialized countries and new trade barriers had emerged. Official development assistance had remained stagnant and the debt problem continued to impede economic growth and development in many countries. The developing countries could not understand the lack of political will demonstrated by the developed nations to solve the debt problem, particularly that burdening the least developed countries and the countries of sub-Saharan Africa. Increased trade and fair prices for third world exports were as important as official development assistance for the economic future of the developing countries, yet commodity prices and terms of trade had continued to deteriorate. Moreover, poverty, unemployment, frustration and hopelessness had become more acute and had provoked social and political consequences in many countries.

7. In contrast, the developing countries had fully fulfilled their commitments through policies aimed at the structural transformation of their economies, often at a high political and social cost. In view of the absence of reciprocity in the industrialized world, there was a danger that the reforms undertaken by the developing countries might be wasted, raising the possibility that economic destabilization would lead to the collapse of many new democracies. The increasing globalization of economic relations and the current international context called for a new discussion of the Declaration and the Strategy from the perspective of the forthcoming agenda for development. The industrialized countries must recognize that the sustained growth of their economies also depended on the stability and growth of the third world. The Declaration and the Strategy would result in true economic and social progress for the developing countries only if the industrialized countries committed themselves to concerted global action and to policies conducive to sustainable and equitable development.

8. Mr. PETERS (Belgium), speaking on behalf of the European Community and its member States, said that the importance of human development, the fight against poverty, the liberalization of international trade and national responsibility for development had become increasingly clear. The rapid political, economic and social changes under way called for a redefinition of the concept of development, particularly in light of the increased importance now attached to sustainable development, the link between population and development, the social aspects of development and the redefinition of the role of the United Nations in the field of international economic cooperation.

9. The delegations on whose behalf he was speaking welcomed the careful attention being paid at the highest levels of the Secretariat to the elaboration of the agenda for development, which should be a practical document. The agenda should not seek to renegotiate existing texts, but should serve as a guide defining the consensus of the international community on the key pillars of development and the role of the United Nations in that regard. The task of preparing the agenda provided an unprecedented opportunity for the United Nations to enhance its credibility as an agent of international development, in line with its new credibility in the political and peace-keeping spheres. The agenda should be able to mobilize public opinion on behalf of international cooperation for development, and the various actors in the process should therefore contribute to its elaboration.

10. Development was a vast undertaking that included activities in a number of disciplines, which were carried out both by Governments and by the private sector, non-governmental organizations, local communities and scientific circles. In that regard, it was important to distinguish clearly which tasks should be carried out at the intergovernmental level to promote economic and social development, and which other tasks should be pursued at the national level.

11. Intergovernmental cooperation had resulted in a number of recent instruments, such as Agenda 21, the Cartagena Commitment and the Vienna Declaration. Those documents should be taken into consideration in the preparation of the agenda for development, as should the preparations for the International Conference on Population and Development, the World Summit for Social Development and the Fourth World Conference on Women. The agenda for development should remove the artificial distinction between economic development and social progress.

12. The European Community and its member States were pleased that the concept of human development included both social and economic indicators, since the development process comprised economic growth, social progress and the sound management of public affairs. As the Vienna Declaration had emphasized, democracy, development and respect for human rights and fundamental freedoms were interdependent and mutually reinforcing.

13. Mr. PIRIZ-BALLON (Uruguay), speaking on behalf of the countries members of the Southern Cone Common Market (MERCOSUR), namely Argentina, Brazil, Paraguay and Uruguay, said that, in the three years following the General Assembly's adoption of the Declaration on International Economic Cooperation and the International Development Strategy for the Fourth United Nations Development Decade, the developed countries had not only continued to pursue their previous

(Mr. Piriz-Ballon, Uruguay)

economic policies but by failing to understand current realities, had aggravated international economic problems. The efforts of the seven most developed economies to solve their internal crises, unemployment and recession with short-term measures and forced maintenance of the status quo, had had an adverse impact on the developing countries. Such solutions were short-sighted since the developing countries were not growing and their markets were unable to absorb the products of the developed countries.

14. While the countries members of MERCOSUR and other developing countries were complying with paragraph 23 of the Declaration on International Economic Cooperation by taking measures, at great social and political cost to themselves, to control inflation, modernize their economies and increase their competitiveness, the developed countries were not doing anything to correct existing external and fiscal imbalances and, in contravention of paragraph 22 of the Declaration, were unwilling to make their markets more accessible. The Governments that controlled 80 per cent of the world economy should adopt measures that not only solved their own problems but also benefited the developing countries.

15. The Uruguay Round, the longest multilateral trade negotiations in history, was about to conclude without any positive results for the developing countries, particularly those with a large agricultural sector. Many African countries that had been self-sufficient in the area of food production were currently totally dependent on subsidized products from the European Community. While the African countries received assistance for the revitalization of their agricultural sector, that sector was faced with unfair competition from subsidized products. That situation was detrimental not only to exporting countries but also to countries that could be self-sufficient and maintain competitive agricultural sectors.

16. In his report on regional economic integration among developing countries (A/48/505), the Secretary-General noted that the United Nations Conference on Trade and Development (UNCTAD) and the regional commissions had included in their revised medium-term plans specific programmes and/or sectoral activities for the promotion of regional economic integration. The countries of MERCOSUR believed that such positive activities should be increased through enhanced coordination and joint undertakings of UNCTAD and the regional commissions in that field.

17. Mr. PANKIN (Russian Federation) noting that the Declaration on International Economic Cooperation and the International Development Strategy for the Fourth United Nations Development Decade had served as the basis, inter alia, for the Rio Declaration and Agenda 21 expressed the hope that the Secretary-General would take due account of their principal ideas in preparing the agenda for development and the International Development Strategy. A considerable number of States' obligations under the Declaration dealt with the application of the principles and approaches contained in it in the preparation and implementation of national policies for social and economic development.

18. His delegation attached great importance to the coordination of all the social and economic, environmental and legal components of development in national reform programmes. As a country with an economy in transition, Russia

(Mr. Pankin, Russian Federation)

recognized the need to integrate its economy into the international economic system, strengthen market institutions, ensure fair competition, encourage entrepreneurship and foster economic ties with the outside world. The Russian Federation's programme of measures to overcome the economic crisis set out the specific goals of the reforms and the stages for carrying them out, which would help stabilize the country's economy by the mid-1990s.

19. The United Nations had an important role to play in the implementation of the International Development Strategy; in particular, it should give priority to international economic cooperation. Greater emphasis should be placed on the study of the problems involved in the integration of the economies in transition into the world economy, the use of reliable means to ensure social stability during the structural adjustments period, the exchange of economically sound technologies, and population problems. It was important to strengthen United Nations operational activities, which made a significant contribution to the implementation of country projects and programmes and the coordination of the activities of the specialized agencies in that area. Measures should be taken to increase the efficiency of all the Organization's social and economic activities and to carry out the necessary reforms of its intergovernmental bodies and Secretariat structures.

20. Miss ZHANG Xiaoan (China) said that the developing countries had made tremendous efforts to implement the Declaration on International Economic Cooperation and the International Development Strategy for the Fourth United Nations Development Decade. They had carried out adjustment programmes and reforms and had taken measures to reduce tariff and non-tariff barriers, expand free trade, improve the investment environment and attract foreign capital. However, the external environment for the economic development of the developing countries had worsened. Terms of trade were deteriorating, protectionist practices were increasing, the Uruguay Round had thus far produced no results, the debt problem was far from being solved and official development assistance (ODA) was plummeting. In short, there was a huge discrepancy between the commitments that the international community had made and the action it had taken to implement the Declaration and the Strategy.

21. Her country hoped that the developed countries would realize that the revitalization and sustained development of the economies of the developing countries was in their own economic interests, and that they would take positive steps to support the efforts of the developing countries to revitalize their economies. In their efforts to strengthen macroeconomic coordination, the developed countries should help the developing countries settle problems in the areas of debt, commodities, capital flows, technology, trade and sustainable development; they should also fulfil their commitments under the Declaration and the Strategy.

22. The targets and plans defined in the Declaration and the Strategy were of great importance to international economic cooperation in the 1990s and should therefore serve as the basis of the agenda for development. The agenda for development should give full expression to the consensus reached by the international community and put forward positive recommendations with a view to achieving development targets and objectives.

23. Mr. PEDROSO (Cuba) noted that the international economic environment remained completely unfavourable to the economies of developing countries: negative resource flows persisted; official development assistance had not increased as had been expected; external debt and debt service remained a heavy burden on many developing economies while commodity prices continued to fall and the terms of trade to deteriorate. Nor did it look as if the new and additional resources necessary to assist developing countries in their transition towards sustainable development would be forthcoming. Given the stalemate reached at the Uruguay Round and the growing trend towards trading blocs, there was reason to wonder whether there was a genuine political will to embrace multilateralism. It was clear that the wishes of the South counted for little in international trade.

24. The structural adjustment policies had had adverse effects in that large segments of the population of developing countries had been reduced to abject poverty. In Latin America, weak growth had gone hand-in-hand with increasing inequality and declining standards of living.

25. The Declaration on International Economic Cooperation, the International Development Strategy and Agenda 21 contained all the necessary policy tools to eradicate poverty, disease, ignorance and suffering. The United Nations had a vital role to play in that area. Accordingly in considering the implementation of the commitments made in the major international instruments for economic development, special attention should be paid to practical follow-up measures taken by the United Nations in terms of programmes and resources. It was also important to maintain the priorities agreed by the member States for achieving those targets and objectives. Just as peace was important for development, so, too, was development important for peace. Equitable development in which priority was given to meeting the needs of the marginalized peoples of the developing countries would help guarantee peace and stability.

26. In conclusion, his delegation fully supported the statement made by the representative of Colombia on behalf of the Group of 77.

27. Mr. DEBABECHE (Algeria) said that his delegation fully supported the statement made by the representative of Colombia on behalf of the Group of 77. The modest progress achieved in the implementation of the Declaration on International Economic Cooperation and the International Development Strategy for the Fourth United Nations Development Decade fell far short of the objectives set by the international community. The developing countries had met their obligations, for they had undertaken bold economic and financial reforms focusing on free markets and the private sector, liberalization of their trading system and stabilization of financial and budgetary policy at considerable social cost to their people.

28. One of the understandings at the basis of both the Declaration on International Economic Cooperation and the International Development Strategy had been that the internal reforms which were the responsibility of developing countries, would be supported by the establishment of an international economic environment favourable to development and growth that would support their stabilization and adjustment policies. But the revitalization of growth in industrialized countries which should, in turn, have stimulated the economies of developing countries had not taken place, and it was more than likely that, in

(Mr. Debabeche, Algeria)

the immediate future, the Governments of those countries would focus more on solving their own problems than on those of developing countries. The slow-down in international trade had reinforced the tendency of industrialized countries to resort to protectionist measures, making access to their markets even more difficult for developing countries. The Uruguay Round of negotiations had reached a deadlock, making it very clear that little importance was attached to the concerns of third world countries and their desire for an open, transparent and non-discriminatory trading system.

29. While everyone acknowledged that adequate funding was essential for sustainable development, the difficulties that most developing countries encountered when seeking adequate financial flows had not diminished and official development assistance, both bilateral and multilateral, had declined. The difficulties encountered in connection with the tenth replenishment of the International Development Association (IDA) and the overall reduction in commitments for operational activities of the United Nations system testified to a general lack of interest.

30. Developed and developing countries must implement a cooperation policy based on reciprocal interests, common advantage and growing interdependence. Fair prices for commodities, an international trading system based on free competition and transparency and greater resource and investment flows were required in order to produce a swift solution.

31. Mr. KALANTARI (Islamic Republic of Iran) said that no serious attempt had yet been made to attain the goals established in the Declaration on International Economic Cooperation and the International Development Strategy for the Fourth United Nations Development Decade. A durable solution to the problem of external indebtedness was beyond the reach of many developing countries, whose ability to accelerate growth and eradicate poverty was therefore severely constrained. While the solutions to many critical problems facing the developing countries hinged on an open and just international trading system, ironically, those who prescribed a market-based economy for the South did not support the same approach at the international level. The prevailing uncertainty in the global economy had made the situation even worse. In an increasingly interdependent world, however, long-term economic growth and development in the North could not be achieved without participation by the South. If the post-cold war era was to be the age of international peace and economic cooperation, it must also address the economic problems in the South and work towards a global partnership.

32. As a first step, nations should cease to think in terms of their own self-interest, as though the interests of developing countries conflicted with those of the developed nations, and think in terms of partnership instead. The fundamental elements of international cooperation for global economic partnership between North and South were set forth in the International Development Strategy and the Declaration on International Economic Cooperation. The United Nations system could play a pivotal role in facilitating the implementation of their recommendations.

The meeting rose at 4.45 p.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

SECOND COMMITTEE
22nd meeting
held on
Wednesday, 3 November 1993
at 3 p.m.
New York

SUMMARY RECORD OF THE 22nd MEETING

Chairman: Mr. MONGBE (Benin)

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ACENDA ITEM 95: INTERNATIONAL COOPERATION FOR ECONOMIC GROWTH AND DEVELOPMENT (continued)

(a) IMPLEMENTATION OF THE COMMITMENTS AND POLICIES AGREED UPON IN THE DECLARATION ON INTERNATIONAL ECONOMIC COOPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (continued)

(b) IMPLEMENTATION OF THE INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (continued)

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1 December 1993

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The meeting was called to order at 3.10 p.m.

AGENDA ITEM 95: INTERNATIONAL COOPERATION FOR ECONOMIC GROWTH AND DEVELOPMENT (continued) (A/48/94, A/48/182-S/26108, A/48/272, A/48/291-S/26242, A/48/309, A/48/338, A/48/353-S/26372, A/48/359, A/48/445-S/26501, A/48/484-S/26552, A/C.2/48/4)

(a) IMPLEMENTATION OF THE COMMITMENTS AND POLICIES AGREED UPON IN THE DECLARATION ON INTERNATIONAL ECONOMIC COOPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (continued) (A/48/505)

(b) IMPLEMENTATION OF THE INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (continued)

1. Mr. HONG Je Ryong (Democratic People's Republic of Korea) noted that, regrettably, the past three years had brought no substantial progress in the implementation of the Declaration on International Economic Cooperation and the International Development Strategy for the Fourth United Nations Development Decade. If anything, poverty in the developing countries had increased. The lack of progress was due chiefly to the lukewarm political will of the developed countries and their insistence on maintaining inequitable international economic relations. The United Nations should carry out a detailed review of the implementation of the Strategy and the Declaration. Implementation of the recommendations in those instruments could be expedited by the expansion and promotion of South-South cooperation.

2. In an effort to promote multilateral economic cooperation at the regional and international levels, the Democratic People's Republic of Korea had established a free economic and trade zone in the area of Rajin-Sonbong in River Tuman Triangle, on its borders with China and Russia. It had also adopted a number of foreign exchange, tax and other laws designed to provide legal guarantees to foreign investors. It wished to express its gratitude to the United Nations Development Programme (UNDP), the United Nations Conference on Trade and Development (UNCTAD) and other organs of the United Nations system for their cooperation and hoped that they would continue to assist in the development of the Rajin-Sonbong area.

3. Mr. NAADJIE (Ghana) said that his delegation fully supported the statement delivered by the Colombian representative on behalf of the Group of 77 and the People's Republic of China. He noted that the adoption of the Declaration and the Strategy in 1990 had appeared to signal increased political will on the part of the international community to the objective of eradicating poverty. Under the Declaration, developed and developing countries alike were called upon to take specific measures to accelerate development in the developing countries and bring about their reintegration into the mainstream of the global economy.

4. Since that time, however, the world economic picture had been one of recession, sluggishness and growing unemployment in the industrialized countries and frustration in the developing countries. Since the latter had repeatedly

(Mr. Naadjie, Ghana)

affirmed their primary responsibility for their own economic development, they should perhaps contemplate bold initiatives to deal with the problems attributable to the existing international economic order.

5. Trade, finance, technology and sustainable development had been identified as key areas in which action must be taken in order to enhance international cooperation for development. However, while the need for such cooperation had come to be recognized, measures taken to strengthen it were often disjointed or uneven. In the context of interdependence, the United Nations should promote dialogue on development, take remedial measures and assume a leadership role in the development efforts. His delegation would give a fuller presentation of its views on development issues when the Committee discussed an agenda for development.

6. Mr. LWIN (Myanmar) said that, in a highly interdependent world, unemployment and social problems in the developed economies and difficulties in the economies in transition were of concern to the developing world as well. His delegation wholeheartedly supported the views expressed by the Colombian representative on behalf of the Group of 77 and the People's Republic of China particularly with regard to the shared commitments undertaken by the developed and the developing countries on adopting the Declaration on International Economic Cooperation and the International Development Strategy for the Fourth United Nations Decade. It was discouraging to note that the developing countries, having implemented structural adjustment at great political and social cost, still faced tremendous problems because the developed countries had failed to honour their commitments.

7. In Myanmar, stabilization and structural adjustment programmes had been introduced in the mid-1980s; the country had shifted from a centrally planned economy to one oriented towards the market, and economic reform measures were being implemented jointly by Government, cooperatives and private enterprise. While such measures had been reasonably successful, Myanmar looked forward to a more favourable global economic environment and to the implementation by the developed countries of their commitments under the Declaration and the Strategy. It also looked forward to the successful outcome of the Uruguay Round of multilateral trade negotiations. In conclusion, his delegation believed that an agenda for peace must be complemented by an agenda for development.

8. Mr. GUERRERO (Philippines) said that lack of political will remained the chief obstacle standing in the way of implementation of the Declaration and the Strategy. While it had been proved many times that authoritarian rule was not conducive to growth, enjoyment of fundamental democratic freedoms was not, in itself, a guarantee of growth. In fact, in the Philippines, the restoration of democracy had actually made it more difficult to implement the Strategy.

9. His country was implementing measures to ensure sustainable development and to cushion the effects of structural adjustment even though the adverse external environment - the terms imposed by creditors for much-needed funds, the continued deterioration of commodity prices, the lack of access to the markets of developed countries - had made some Filipinos wonder whether their country was being penalized for its attachment to the democratic system. None the less,

(Mr. Guerrero, Philippines)

it was pursuing its efforts to reduce its trade deficit, repay its debt and liberalize its economy. The Philippines was grateful that the International Development Strategy afforded protection for poorer countries which might otherwise be forced to accede to the terms of the foreign investors they sought to attract. Developed nations must therefore match the political will shown by the developing countries in undertaking reform or all would be for naught. An agenda for development - if perceived as necessary for an agenda for peace - could help to muster that will.

10. Mr. HORIN (Ukraine) said that each country was responsible, in the light of its particular circumstances, for its own economic development policies and for the welfare of its citizens. The successful economic and social transformation of the transition economies could not be achieved without the assistance of the international community. Those countries should be integrated into the world economy through the creation of an open and equitable trading system. Intensification of scientific and technical cooperation and removal of all obstacles to the transfer of advanced technology would have a beneficial impact on global economic growth and development. Investment, in the broadest sense of the word, in the countries in economic transition would pay rapid and significant political and economic dividends.

11. Ukraine aspired to economic and political integration in the Western European region, while at the same time maintaining and enhancing its links with the Commonwealth of Independent States (CIS). Such mutually beneficial interdependence would guarantee Ukraine's economic independence.

12. In conclusion, his delegation was disappointed at the narrow focus adopted in the report of the Secretary-General (A/48/505); perhaps the Committee's discussion of the item would help to make up for that shortcoming.

13. Mr. SWETJA (Indonesia) associated his delegation with the statement of the Group of 77, pointing out that three years after the adoption of the Strategy and the Declaration, the gap between the developed and the developing countries continued to widen, and the main macroeconomic issues had yet to be resolved. While that was in part attributable to such unforeseen factors as the Gulf war, the problems of the economies in transition and the prolonged recession in the developed countries, efforts to strengthen international cooperation for growth and development should be redoubled.

14. The developing countries, for their part, had undertaken far-reaching reforms and structural adjustment programmes aimed at enabling their economies to participate effectively in the global economy. Over the past 25 years, Indonesia had adopted various stabilization programmes and fiscal, monetary and financial reform measures and had encouraged deregulation of foreign trade, the rollback of non-tariff barriers and tariff reforms.

15. Indonesia was committed to regional cooperation and integration, as reflected in the establishment of the Association of South-East Asian Nations Free Trade Area, which had come into effect in January 1993. It had also agreed to hasten the implementation of the Common Effective Preferential Tariff Scheme and was making efforts for the joint promotion of direct foreign investment.

(Mr. Swetja, Indonesia)

16. However, without a favourable external economic environment, progress would be hampered not only in the developing countries, but in the world at large. Multilateral cooperation for development must therefore be strengthened through constructive dialogue based on mutual interest and benefits and equitably shared responsibilities. An agenda for development should serve to strengthen and foster the concept of development and to facilitate the implementation of the Strategy and Declaration.

17. Mr. SY (Organization of African Unity) said that despite many United Nations activities to promote development in the developing countries and the various new reform and structural adjustment programmes adopted by the developing countries, the economic situation of many such countries had not improved. Indeed, in many countries, urban and rural poverty had increased. Renewed efforts should therefore be made to implement the Declaration and other multilateral agreements, and adequate support should be given to priority areas in order to energize economic growth and development in the developing countries.

18. Regional economic integration was essential for the promotion of economic growth and development in Africa. Each region had at least one regional economic grouping, supported by OAU and the Economic Commission for Africa (ECA), which sought to promote trade, industry, agriculture and technical and cultural cooperation. The African Economic Community (AEC) endeavoured to harmonize the strategies of such groupings in order to ensure sustained economic growth, which nevertheless depended on adequate external financial support. UNDP had been very supportive of the regional economic groupings in Africa and AEC. OAU urged the United Nations to intensify its technical and financial assistance in order to enable such groupings to promote economic growth and development in Africa effectively.

19. It was essential to revitalize the external sector of other developing countries. The collapse of commodity prices had eroded development efforts. There was therefore a need to review the UNCTAD initiatives, the Integrated Programme for Commodities and the Common Fund. Existing international commodity agreements and arrangements should be improved, and new ones established. Financing facilities should be provided to compensate for shortfalls in the export earnings of developing countries. Furthermore, the international community should help African and other developing countries to improve local processing, marketing, distribution and transport of commodities. He urged the developed countries to remove tariff and non-tariff barriers and to abolish subsidies which hindered the import of commodities from the developing countries.

20. Finally, the external debt of African countries was seriously undermining efforts to revitalize their economies. The increased assistance provided by international financial institutions had brought its own problems. The debt owed to such institutions accounted for some 28 per cent of the region's debt stock but consumed some 45 per cent of total debt-service payments. Under current regulations, that additional debt could not be rescheduled, thus, multilateral debt had not been affected by recent debt cancellation and rescheduling measures. He called for the strengthening of International

(Mr. Sy, OAU)

Monetary Fund (IMF) assistance and the conversion of the debt of African and other developing countries into long-term financial assistance with high concessional elements. He also urged the World Bank to reschedule structural adjustment loans and adopt a Paris Club-type package of measures for the low income developing countries. External debt relief was essential if efforts to revitalize economic growth and development in Africa were to succeed. OAU was endeavouring to create a political environment that was more conducive to development and growth. Cooperation between the United Nations and OAU should be strengthened in the context of the Secretary-General's Agenda for Peace. An agenda for development should be rapidly agreed upon to complement current measures aimed at improving peace and security.

The meeting rose at 4.20 p.m.